

SPACE HEAT REVENUE ADJUSTMENT

EXAMINER'S EXHIBIT 3

UNDER BHE'S ASSUMPTIONS

Through 2010

Residential						
	Total (kWh)	Non-Heat (kWh)	Heat (kWh)	Heat		
				Assumed Decline	Took at 9c rate (kWh)	Assumed Decline
						Never on 9c rate (kWh)
1993	61,985,646	40,177,000	21,808,646		14,512,649	7,295,997
1994				4.00%	13,932,143	6,566,397
1995				4.00%	13,374,857	5,909,758
1996				4.00%	12,839,863	5,377,879
1997				4.00%	12,326,269	4,947,649
1998				4.00%	11,833,218	4,452,884
1999				4.00%	11,359,889	4,052,125
2000				4.00%	10,905,493	3,727,955
2001				4.00%	10,469,274	3,355,159
2002				4.00%	10,050,503	3,019,643
2003				4.00%	9,648,483	2,717,679
2004				4.00%	9,262,543	2,445,911
2005				4.00%	8,892,042	2,201,320
2006				4.00%	8,536,360	1,981,188
2007				4.00%	8,194,906	1,783,069
2008				4.00%	7,867,109	1,604,762
2009				4.00%	7,552,425	1,444,286
2010				4.00%	7,250,328	1,299,857
2010 Revenue @ Retail Rate =				\$0.06000	\$435,020	\$0.08524 \$110,800
						\$545,820
Revenues at the Discount Rate =						\$567,432
[2010 Fore. (a) 65,635,000 39,798,152 25,836,840]						
Residential Revenue Delta						(\$21,612)

Commercial						
	Total (kWh)	Non-Heat (kWh)	Heat (kWh)	Heat		
				Assumed Decline	New Installations	Assumed Decline
						(kWh)
1994	12,389,943	9,608,506	2,781,437			2,781,437
1995				12.00%		2,447,665
1996				12.00%	1,699,470	2,153,945
1997				12.00%	1,495,534	1,895,471
1998				12.00%	1,316,070	1,668,015
1999				12.00%	1,158,141	1,467,853
2000				12.00%	1,019,164	1,291,711
2001				12.00%	896,865	1,136,705
2002				12.00%	789,241	1,000,301
2003				12.00%	694,532	880,265
2004				12.00%	611,188	774,633
2005				12.00%	537,846	681,677
2006				12.00%	473,304	599,876
2007				12.00%	416,508	527,891
2008				12.00%	366,527	464,544
2009				12.00%	322,543	408,799
2010				12.00%	283,838	359,743
2010 Revenue @ Retail Rate =				\$0.07710	\$21,884	\$0.07385 \$26,567
						\$48,451
Revenues at the Discount Rate =						(\$225)
[2010 Fore. 19,748,361 13,784,012 5,964,349]						
Commercial Revenue Delta						\$48,676

TOTAL REVENUE DELTA \$27,063

(a) - For purposes of this analysis, we applied the Company's assumption that actual space heat sales would not increase beyond their 1997 level.